

PRESS RELEASE

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**STUDY ON THE QUALITY OF MONTRÉAL'S AIR SERVICE:
MONTRÉAL COMPARES WELL IN NORTH AMERICA FOR THE NUMBER OF
DESTINATIONS AND INTERNATIONAL FLIGHTS**

Montréal, September 29, 2014 – Aéroports de Montréal (ADM) today released a study by SECOR-KPMG on the quality of Montréal's air service, which concludes that it corresponds well to the size of the Montréal market. Almost all major destinations offering sufficient demand are already served directly from Montréal. The study can be found on ADM's website.

In addition, Montréal's air service compares favourably with that of other similar-sized cities in North America. Taking into consideration the economic wealth of the region, Montréal's air service appears to be even more extensive than that of similar regions.

Despite below-average economic growth, Montréal's air service has greatly improved over the last decade, both in terms of passenger traffic and number of destinations.

“There are opportunities for Montréal–Trudeau in the short, medium and long terms and we are doing everything necessary to encourage carriers to launch new services in a timely manner,” said James Cherry, President and CEO of ADM. “However, it is important to note that the launch of a new service is a business decision that is entirely up to airline concerned. It is first and foremost a matter of supply and demand.”

The facts

During the period 2004–2013, the total number of passengers at Montréal–Trudeau grew by an annual average of 4.6%, higher than the growth of the province of Québec's GDP. The international passenger segment showed the strongest growth over the period, with an average annual increase of 9.8%.

Montréal–Trudeau is the most “international” of Canada's major airports, with 38% of its passengers international (62%, if “transborder” passengers – those travelling to the United States – are included).

The total number of direct destinations from Montréal is about 130, including more than 75 international destinations compared with 30 a decade ago. In 2014 alone, four new destinations were added to the schedule: Istanbul, Panama City, Tunis and Prague.

Montréal is directly connected in a significant way to 37 of the world's 123 most influential cities*, including 32 served by at least 3 flights per week. Of those 32 cities, 17 are among the biggest international hubs. It is therefore possible to reach all the 123 most influential cities, with one exception (Shenzhen, China), with a direct flight or with just one connection.

Montréal is ranked second in Canada for the total number of destinations and fifth among 15 North American airports** for the number of connections to the most influential cities and major international hubs.

Montréal offers enviable service to Europe and increasingly to the Middle East and North Africa, in addition to being 2nd in Canada for the number of sun destinations. For now, no destination in Asia and South America presents a sufficient level of demand to justify the establishment of a profitable direct city-pair, with the exception of Beijing. The last attempt to establish a direct link with Beijing failed because of the unavailability of a suitable landing slot at Beijing airport.

To be profitable, an international flight has to offer a minimum origin-destination demand of 40,000 passengers a year. This threshold is reached in the case of 27 global cities. Cities that do not meet this threshold are unlikely to be served, unless they are strategically located hubs, as is already the case for Amsterdam and Doha. On the other hand, the City of Helsinki, often cited as a technology city, offers virtually no interest for a carrier, with only 10% of the minimum required demand.

The future

According to the SECOR study, Montréal can build on its position as a hub between North America and Europe, and increasingly to the Middle East/North Africa, by expanding its connecting traffic.

The deployment of new and smaller long-haul aircraft such as the Dreamliner, which lower the minimum traffic level required for some destinations, could make new routes to major cities profitable.

Finally, major international alliances present in Montréal could increase its appeal to foreign airlines.

About Aéroports de Montréal

Aéroports de Montréal is the local airport authority that has been responsible for the management, operation and development of Montréal–Trudeau and Montréal–Mirabel international airports since 1992. The Corporation employs 625 people at both airports and at head office. ADM has been ISO 14001 certified since 2000 and BOMA BEST certified since 2008.

*123 most influential cities according to classification of the GaWC (Global World Cities Research Network).

**15 North American cities: Vancouver, Seattle, Portland, San Diego, Calgary, Denver, Houston, Minneapolis, Detroit, Cleveland, Toronto, Pittsburgh, Philadelphia, Boston and Montréal